

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**INFORMATIVE MOTION OF LUSKIN, STERN & EISLER LLP
REGARDING STATUS OF INVESTIGATION OF MCKINSEY & COMPANY, INC.
WASHINGTON D.C., AS CONSULTING SERVICES PROVIDER TO
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD OF PUERTO RICO**

To the Honorable United States District Court Judge Laura Taylor Swain:

Luskin, Stern & Eisler LLP (“LS&E”), as special counsel to the Financial Oversight and Management Board for Puerto Rico, as representative of the Debtors (the “FOMB”) pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully states the following:

1. At the November 7, 2018 omnibus hearing, LS&E informed the Court that the FOMB had retained LS&E to (i) investigate certain allegations concerning potential conflicts of interest of McKinsey & Company, Inc., Washington D.C. (“McKinsey”) and (ii) issue a written

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

report detailing its findings. At the hearing, LS&E stated it would attempt to complete its investigation and to issue its written report by December 31, 2018. LS&E has determined that it will not be able to complete the investigation by that date and submits this informative motion to provide the Court an update on the status of its investigation.

2. Since the November 7, 2018 hearing, LS&E has completed its initial round of interviews and its initial review of documents and has begun to draft its report. However, based on information obtained to date, LS&E has determined that follow-up (additional document requests and additional witness interviews) will be necessary, and its investigation will, therefore, continue into January 2019.

3. LS&E will provide an update to the Court in advance of the January 30, 2019 omnibus hearing.

Dated: New York, New York
December 27, 2018

Respectfully submitted,

/s/ Michael Luskin
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